



Alabama Department of Economic And Community Affairs

GUY HUNT.
GOVERNOR

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ALABAMA CDBG INTERGOVERNMENTAL POLICY LETTER NUMBER 13

TO: Persons Interested in State CDBG
Rehabilitation Program

FROM: Don C. Hines, Ph. D., Chief,
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POLICY ON HOUSING STANDARDS

For those CDBG grantees who receive housing rehabilitation funds, the State has defined the following Housing Standards to be used in conjunction with program activities. These standards will be pertinent for compliance with Section 104 (d) of title I of the Housing and Community Development Act of 1974, as amended (also known as the Barney Frank Amendment).

1. **Substandard but Suitable for Rehabilitation (Occupiable)** - A substandard unit is considered suitable for rehabilitation (or occupiable) if the present fair market value of the structure is \$5,000 or more; and the cost of bringing the unit into compliance with local housing codes or at least (HUD) Section 8 Housing Quality Standards, making it decent, safe and sanitary, shall not exceed 75% of the estimated "after rehabilitation value" of the unit.
2. **Standard** - A standard housing unit is one which has no structural, electrical, plumbing or mechanical defects or has only slight defects which can be corrected through reasonable maintenance. The unit should meet applicable local Housing Codes or (HUD) Section 8 Housing Quality Standards in the absence of local housing codes. The unit should be capable of providing decent, safe and sanitary housing.

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